GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:3243
ANSWERED ON:05.08.2016
Revenue Deficit of Andhra Pradesh
Subbareddy Shri Yerram Venkata

Will the Minister of FINANCE be pleased to state:

(a) whether the revenue deficit of Andhra Pradesh (AP) between 2nd June, 2014 to 31st March, 2015 has come to Rs.13,775.76 crores;
(b) if so, the details thereof and the reaction of the Government thereon; and
(c) the reasons behind delay in releasing the revenue deficit amount of Rs.13,275.76 crores to AP?

Answer

(a): Yes Sir, The Accountant General (Accounts & Entitlement), AP and Telangana, after taking into account release of special assistance amounting to Rs.2,303 crore to Government of Andhra Pradesh (GoAP) during 2014-15 for the resource gap, has arrived at Revenue Deficit of Rs.13,775.76 crore for the year 2014-15 (2nd June, 2014 to 31st March, 2015).

(b) & (c): There is no specific provision in AP Re-organization Act, 2014 whereby Union Government is mandated to provide revenue deficit grants to Andhra Pradesh for the period 2014-2015. The Union Government, however, having regard to the provision made under section 46(2) of AP Re-organisation Act, 2014 has decided to provide special assistance to the State to address the issue of resource gap. Accordingly, even before final accounts of the State for 2014-15 were made available, another instalment of special assistance amounting to Rs.500 crore was released to the State in 2015-16 for resource gap. The Accountant General (A&E), AP and Telangana has indicated that the new State of Andhra Pradesh had incurred expenditure on certain new schemes introduced by the State government during the reference period. This needs to be ascertained in order to arrive at actual revenue deficit figures. The State Government has been asked to provide details as further release to the State under this head will be concomitant to identification of such new schemes.

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